

FOOD
PROSPECTS
for

1947

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**Assemblyman Lee B. Mailler replaced Assemblyman Irving M. Ives as Majority Leader on January 8, 1947.

Introduction

By Thomas C. Desmond

Chairman, New York State Joint Legislative
Committee on Nutrition

THERE are fewer hazardous occupations than forecasting food prospects. The weather man has a particular fondness for upsetting such prognostications. And few are endowed with such keen foresight as to be able to predict accurately the income of our people or the impact of exports on our consumption.

Yet, in order to evaluate nutritional programs for 1947, it is necessary that we know what we may have available in food production and in what direction food prices will go. To aid us in obtaining these essential data, three brave souls, armed by years of experience and analysis, have ventured to give us a pre-view of food prospects for 1947. They have given us as accurate a picture as is possible.

The three following chapters were originally prepared as addresses for presentation at the December 11, 1946, public hearing of our Committee. Because of the importance of the subject matter and its timeliness, it was decided to publish them immediately without waiting for their inclusion in the larger report of our Committee which is now being prepared.

This thin pamphlet does not attempt to present the nutritional problems of 1947. But we do not wish to overlook the opportunity to mention that within the broad perimeter of food production outlined in this pamphlet, we face in 1947:

a crisis in our school lunch program;

an urgent need for an expanded maternal and infant nutrition program;

a serious demand for a special nutritional program for the aged; and

a critical need for extending "enrichment" legislation to cover many cheap, basic foods.

On the brighter side of the picture, an aspect emphasized by Dr. William C. Ockey, Mr. Paul S. Willis, and Mr. H. H. Rathbun, in the following chapters, it is fairly certain that with the aid of a beneficent weather man and high employment and payrolls, our people will continue to eat better than they did during pre-war days.

Introduction

By Thomas C. Desmond

Chairman, New York State Joint Legislative
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CONTENTS

Page

Food in 1947 by WILLIAM C. OCKEY..... 3

Grocery Outlook for 1947 by PAUL S. WILLIS..... 11

Milk Prospects for 1947 by H. H. RATHBUN..... 17

Food In 1947

By William C. Ockey

Associate Director, Food Distribution Programs Branch
Production and Marketing Administration
United States Department of Agriculture

FOOD, like the weather, is always a good subject of conversation. Fortunately, unlike the weather, something can be done about food — and there is much to be done. No one wants to go back to the period of “too much farm production — too little food consumption.” Farmers do not want it—the food trade does not want it—certainly, consumers do not want it.

The United States Department of Agriculture has long regarded improved levels of nutrition as one of its fields of activity. In the final analysis, the farmer's job is not merely to grow food but to feed people—that is his responsibility. But with this responsibility goes opportunity, for the better fed Americans are, the wider will be the farmer's market, and the higher will be the returns for his labor. For more than 50 years, the Department has carried on research programs in nutrition and has spread the knowledge gained from that research through its educational activities. In more recent years, these programs have been supplemented by more direct action against under-consumption of food through distribution activities such as the school lunch program.

We have come through the war and the critical world famine period immediately succeeding it in remarkably good shape as far as food is concerned. It is true, our food supply was affected, but it was

generally a matter of inconvenience rather than actual hardship. Many families ate more and better food than ever before; others ate less steak, bacon, and butter than before but they were well fed; some, of course, were caught in the squeeze of fixed income and rising prices. On the whole, Americans ate more food than before the war, and this larger supply was of higher quality and more uniformly distributed.

Prospects for '47

What lies in store for 1947? What are the chances of maintaining the wartime gains we made nutritionwise? First, let us look at our production plans. National farm goals, recently suggested by the Department of Agriculture, call for another year of top production in 1947. Actually, the volume of production requested is probably somewhat larger than is consistent with the soundest program of land use and soil conservation. Yet the demands for our food are so great, there is no alternative. Top production is planned in order to meet the strong domestic demand, the continuing requirements of war-devastated areas for certain of our farm products, and the urgent need to rebuild reserve stocks.

The suggested goals call for larger sugar and oil-bearing crops to help alleviate the current short-

age of these two commodities. Suggested acreage for potatoes is reduced from the 1946 level, for increasing yields are making it possible to produce the needed volume with an acreage considerably smaller than that in prewar years. The goals also call for about 1 billion more pounds of milk and about 1.5 billion pounds more meat than will be produced this year.

Very briefly, those are some of the highlights of our food production plans. They are based upon our anticipated requirements — with a margin of safety for unfavorable weather or lowered yields. What will these production plans mean in terms of food supplies at retail stores?

In discussing 1947 prospects, I think it is well to first point out the unknowns which will have a considerable bearing on the quantities of food available next year and the adequacy of those supplies.

Three Major Varieties

First, there is the weather. During the past few years we have been blessed with remarkable weather during our growing seasons. Whether our good fortune will hold for still another year is any man's guess. While we have allowed a margin of safety for this factor in our production goals, all we can do is to base our plans on average growing conditions. Bad weather can make for short crops all along the line or can affect some particular goal. On the other hand, especially good weather could put us over the top with something to spare.

Second, the volume and the variety of foods that will be exported from this country is still not defi-

nately known. During 1946 much of the international food shipments has been on a non-commercial basis. This will no longer be true in 1947, with the lend-lease program over and UNRRA's activities confined to the Far East, and those only for three months. Thus, the purchase of food by foreign countries will be dependent upon the availability of foreign exchange and the urgency of their import requirements for nonfood items, such as construction materials and machinery. In addition, the shortage of rail transportation facilities here and abroad may slow down the movement of food overseas. On the whole, it appears that our food exports will be smaller in 1947 than in 1946.

The third major unknown is income. The level of consumer incomes will directly affect the adequacy of available supplies. The adequacy of supplies can be judged by several standards. Supplies may be large or small in relation to physical needs, in relation to historical consumption levels, or in relation to market demands. Here I am measuring adequacy of supplies by this latter yardstick — market demands. Income directly affects consumer demand for food. Thus, a sharp drop in consumer incomes would alter considerably any current evaluation of 1947 food prospects—particularly in terms of the quality and kinds of foods that would be taken.

So, surrounded with those comfortable safeguards, I shall attempt to give you the highlights of the 1947 food picture as we now see it.

For 1947 as a whole, the supply of meat available may be somewhat larger than that of this year.

Marketings should be much more orderly—without the “feast and famine” periods experienced this year. While this prospective supply will be large compared with average prewar consumption levels, it should be readily absorbed in a market backed by a strong consumer demand throughout most of 1947. Beef, particularly the more preferred cuts, should be in larger supply in 1947, while lamb and probably pork may be somewhat smaller than in 1946. Although currently more plentiful, during the spring and summer of 1947 pork products will not be as plentiful as in the same period in 1946.

When planning the family menu, homemakers will be able to count on plentiful supplies of fresh and frozen fish in 1947. However, canned fish will still be short by prewar standards. At least until late in the year, canned salmon will be particularly scarce because of an exceptionally small pack; canned tuna fish should be more plentiful.

1947 supplies of poultry, a major main-dish item, are expected to be about the same as in 1946. Poultry consumption increased sharply during the war years, partly as a result of higher incomes and partly because of the relative scarcity of meats. On a per-capita basis, we probably will consume about 25 per cent more chicken and 70 per cent more turkey in 1947 than we did in the immediate prewar years.

Turning from dinner to breakfast menus, here are the highlights on 1947 egg supplies: Supplies of fresh eggs will be somewhat smaller in 1947 than in 1946. Higher re-

tail prices than in 1946 are anticipated for at least the first part of the year, with the possibility of some consumer resistance developing, and with some decrease in the number of eggs consumed. Some purchases may be necessary for price support purposes, depending upon the size of exports.

Higher retail prices are expected to result in a reduction in the quantity of milk consumed in fluid form in 1947, but consumption will remain considerably higher than in prewar years. On the other hand, domestic consumption of some manufactured dairy products, notably evaporated milk and cheese, may set new records in 1947. With a reduction in milk and cream consumption in fluid form, larger supplies are expected to be available for butter production. Nevertheless, unless consumers' incomes decline substantially more than anyone now contemplates, butter supplies will fall far short of prewar levels and prices will be high.

Ample supplies of fresh fruits and vegetables are expected next year, and in canned form, they will be available not only in larger volume but also in better variety. Another record crop of most citrus fruits is now coming to market and supplies of apples are much larger than the exceptionally small supplies of the 1946 season. 1947 also should bring greater imports of bananas and pineapples.

The two foods currently in shortest supply are fats and sugar. For both of these commodities we have always depended upon imports to supplement our domestic production. In the years immediately preceding the war, imports accounted

for approximately 15 per cent of the fats and oils used in this country and 70 per cent of the sugar consumed was produced outside of the continental United States.

War and its accompanying destruction sharply reduced the world production of both fats and sugar. Recovery has been slow. Shortages here at home are part of this worldwide shortage and have been highlighted by the higher level of domestic demand. At the present time, we cannot see an early end to the shortage in either commodity.

During 1946 civilian supplies of food fats are expected to total about 40 pounds per-capita, compared with a prewar average of 48 pounds. Current indications point to only a slight increase in civilian supplies next year. Imports are expected to be larger next year and exports will be reduced. However, some decline in domestic production is in prospect during the year beginning October, 1946, and it will not be possible, as was done in 1946, to further reduce stocks in order to increase supplies available for distribution.

Continued rationing of sugar has proved necessary under the impact of record high domestic demand and a world production considerably below that of prewar years. If sugar were not rationed, it is estimated that U. S. civilians would have consumed approximately 8 million tons of sugar this year compared with the 5.6 million tons available. A continuation of this high level of demand is expected throughout the greater part of 1947. On the other hand, increases in domestic supplies above the current level are not likely until the

Spring of 1947. Even then supplies will fall considerably short of meeting all domestic requirements, unless substantial increases in prices or reductions in incomes should curtail demand.

These highlights of 1947 prospects indicate that the quantities of food available for civilian consumption are expected to continue at the high level reached this year, which was 15 per cent above the average for the prewar years 1935-39. The nutritive value of this prospective supply will continue high even though a slight decrease in calcium and riboflavin is indicated because of the expected reduction in the consumption of fluid milk and cream.

The war years have given us a real appreciation of the tremendous capacity of this country to produce and to consume food. Farmers, faced with a large market, paying profitable prices, licked the problem of too little labor and machinery. Consumers, working for good wages, bought more food than ever before and wanted even larger supplies. Farmers prospered and Americans were better fed. The job we all face is to see that in the post-war years the same opportunities to produce and to consume continue.

The Market for Food

There is no question as to our ability to produce tremendous quantities of food. We have the resources, the tools, and the techniques. The real question is whether it will be profitable to continue to produce the food we need for a truly high level of nutrition in this country. In other words, what will be the market for food?

Underconsumption of food and poor nutrition can be traced to three general causes: (1) lack of sufficient purchasing power; (2) lack of knowledge as to the importance of good diets or the ways to achieve them; and (3) inadequate food processing and distribution facilities, which in part means a large part of the food dollar must be spent for services rather than for food and in part the waste of food particularly during periods of peak supply. If we are to attack underconsumption of food, if we are to improve nutritional levels, we must carry the fight on all three fronts. One of the most heartening developments is the growing recognition of the need for full employment and high level of purchasing power. The ability of our domestic market to take up the slack in food demands when export outlets decrease will depend, in large measure, on the numbers gainfully employed and the kind of wages they are receiving.

Yet full employment is no panacea—it will not, by itself, insure that all will be well fed. A study made by the Department's Bureau of Agricultural Economics showed that even under conditions of full employment in 1950, food consumption would not be at levels that would provide a good adequate diet for every family. Operating within the framework of full employment, agricultural and nutrition programs should be directed toward reaching that portion of the food market that remains untapped. Under less favorable economic conditions, they must help counteract the reductions in the demand for

food that accompanies declining income levels.

School Lunch

One of the programs now attacking underconsumption of food traceable to all three causes is the School Lunch Program. Born in the depression years, Federal aid for school lunches has continued for the past 11 years. With the passage of legislation authorizing the program on a permanent basis, Congress has provided for better long-range program planning and greater Federal-state cooperation. New features are already being added to the program. This fall, 16 schools, in areas where supplies of fresh milk are not available in adequate supply, will receive supplies of dry skim milk to use as a beverage and in cooking. If this innovation proves successful, it might well be extended—not only to other schools but also for other commodities. Thus, the lunch program could directly attack particular food deficiencies resulting from regional supply problems or food habits.

Ability to pay is not a prerequisite for a child's receiving a hot midday lunch at school. Thus, to the extent that the children of families who can afford little or no money for lunches participate in the program, the total demand for food is increased. Even during the immediate period, a surprising proportion of our families do not earn enough to buy the kinds of foods needed for good diets.

Thus, the school lunch program results in a significant improvement in the diets of many children, especially in relation to their consumption of protective foods such as milk, fruits, and meats.

It is an old axiom that we learn best by doing. Perhaps this is why the School Lunch Program is such an effective weapon in combating underconsumption traceable to insufficient knowledge. When children are introduced to fruits, vegetables and milk for lunch they soon notice the absence of these items on the family dinner table. The educational phase of the School Lunch Program is not idle talk or wishful thinking. Instance after instance can be cited, as all of you know who have been close to the program.

The third cause of underconsumption the School Lunch Program attacks is, perhaps, the one that has received the least attention—the lack of facilities. Frequently, the cause of skimpy lunches is not the lack of money or the lack of knowledge, it is just because there are no facilities to provide well-balanced, complete meals. The new school lunch legislation provides funds to help schools to expand and improve school facilities for preparing more nutritious, more attractive lunches. Many of you can remember the lunches you carried to school, a couple of sandwiches, a piece of cake, and perhaps an apple or orange. Now your children eat meat, vegetables, bread and butter, salads, fruit desserts and drink milk because facilities are available to prepare such meals.

This means better nutrition, a bigger market for our farm products, more food consumed.

While income and food purchasing power is of major importance in a family's ability to eat well, it is not the only factor. Food studies have shown that many high-income families do not eat well; that there is great variation in the quality of the diets among families who spend the same amount of money for food. Part of the explanation lies in the lack of knowledge concerning the importance of good diets to good health, part in lack of knowledge as to the ways to achieve good diets, part in sheer indifference.

The answer to this lack of knowledge, to this indifference, is a well-correlated educational program. Certainly, the sharp increases in the consumption of fluid milk that accompanied larger wartime incomes was due, in no small measure, to the thorough job that had been done in educating people concerning the place of well-balanced diets. We need continued research to increase our understanding of nutrition principles. But such work may be in vain unless we have an effective means of spreading the knowledge gained to every homemaker. Perhaps what we need for urban homemakers is the kind of nutrition education programs carried on among rural families by the home demonstration agents of the Extension Service.

Food Distribution

In my opinion, perhaps the most neglected aspect of our work in improving nutritional levels—where

the least attention has been focussed—is the effect of inefficient food distribution facilities. While this country undoubtedly has one of the finest food distribution and merchandising systems, we all know that it is inadequate and outmoded in many respects and that inefficiencies exist. Inefficiencies are costly. They add to the price of food, thereby limiting consumption among many groups; they result in the waste of good food, especially during periods of seasonal abundance; they affect the nutritive quality of the food we eat, particularly the food available in large urban centers distant from producing centers.

I do not mean to imply that improvements in this field have been entirely neglected. Federal and State agencies and industry groups have long recognized the problem and have made tremendous improvements. What I do want to emphasize is that there is much more to be done.

The wartime growth in on-the-job feeding programs has brought better nutrition to millions of our industrial workers. With facilities available, the midday meal changes from a hastily eaten sandwich, washed down with a cup of coffee, to a complete well-balanced meal. A well rounded industrial feeding program should not stop at just developing facilities offering good food. Nutrition education, particularly programs to improve the worker's selection of food, should be included to combat indifference and poor food habits.

In order to help avoid the waste of good food during periods of abundance the Department of

Agriculture, in cooperation with the food trades, carries on special merchandising programs. This is known as the Abundant Foods Marketing Program. We have just completed a program to help increase consumption of the abundant supplies of potatoes now available. Under this program attention is directed to commodities available in heaviest supply, to the food values gained by buying when they are most abundant. The program has its educational side, for nutrition facts are stressed—proper cooking methods emphasized. To the extent that we can increase purchase and use of abundant foods, and thereby prevent the waste of good foods in market gluts, we are helping to see that available food supplies make their maximum contributions to the quality of the American diet.

I am sure that we will see more and more activity aimed at broad improvements in food distribution facilities. One of the main reasons for this greater activity is the passage of the Agricultural Research and Marketing Service Act in August of this year. In that act Congress has declared that a sound, efficient, privately operated system for marketing agricultural produce is essential to the welfare, prosperity and health of the Nation. The act authorizes research to improve processing and marketing techniques, to lower marketing costs, and to develop and improve quality standards. In addition, it calls for consumer education programs aimed at increasing food consumption and fostering more effective utilization of available supplies. Its goal is to make it

advances along the road that leads "possible for the full production of American farms to be disposed of usefully, economically, profitably, and in an orderly manner".

Funds have not yet at the time of this report, been appropriated under this act. When they are, I am confident that we will have real

to a truly high level of nutrition in this country. We know that we have the tools and the know-how to produce the volume of food required for good diets. We must be certain that we are able to get this tremendous production distributed and used, if we are to be well fed.

Grocery Outlook for 1947

By Paul S. Willis

President, Grocery Manufacturers of America Inc.

THE SUBJECT assigned me . . . "The Grocery Outlook for 1947" . . . is an interesting one, and with so many factors influencing the food situation, it is also a very difficult one. One always takes the risk of sticking his neck out when making predictions into the future, and any attempt at doing it now is sticking the old neck out a pretty long way.

When I appeared before this body on December 13, 1945, I predicted that civilian food supplies for 1946 would be sufficient to give Americans 11 per cent more food than they had in the five pre-war years.

Despite the many production obstacles in the way during the past 12 months, I am happy to be able to state that the food industry was able to supply the people with that extra food. As a matter of fact, the increase was 15 per cent so that we actually did better than predicted.

At that time, I made another prediction and it was to the effect that food prices in 1946 might well decline about 5 per cent below the 1945 average. When I made that statement, I overlooked entirely the many and long drawn-out labor strikes which developed. These strikes, along with restrictive governmental regulations, placed many segments of the food industry in such a vise that they were helpless to achieve a production great enough to result in the lowering of prices.

Impossible to Plan Ahead

In addressing you this year on "The Grocery Outlook for 1947," I find that assignment a difficult one, for the domestic scene is far from tranquil, and it is almost impossible to plan ahead with any degree of confidence in one's ability to carry those plans to conclusion. This is so because of the many uncertainties confronting us . . . and, as our new Secretary of Commerce, Averell Harriman, has stated, nothing hampers business like uncertainty.

There is uncertainty in the political picture. Next month the American people will find themselves governed by a Democratic Administration and a Republican Congress. This split-control will last for two years . . . and the best minds in the country are unable to accurately predict the effect of this on America's reconstruction program.

The labor situation is also jam-packed with uncertainty. The recent soft coal strike could well be the forerunner of another wave of labor disputes and work stoppages which might deprive the people of a ready availability of food products at reasonable prices.

The food industry is a gigantic, sprawling empire that operates in every state of the Nation. And, as such it is affected by almost every labor dispute that takes place. The production of our goods is hamp-

ered by coal strikes, by steel manufacturing stoppages, by rail strikes, tugboat strikes, by truck strikes, and all the rest.

And this lost production is not easy to make up. Industry has to work for months to come to catch up with production lost during the 17 days of November and December, 1946, that the coal miners were out of the pits.

Food Production Hampered

Thus it is, that despite the very few labor disputes that have arisen in our own factories, our production has been hampered in the past by strikes in the plants which supply us with materials . . . and they may be so hampered again in 1947. Such conditions, of course, are entirely beyond our control.

We are hopeful, however, that an improvement in the labor situation will be brought about by congressional revision of the National Labor Laws. The American people went to the polls on November 5, 1946, and expressed a downright disapproval with conditions as they now are. The people are demanding an adjustment of present labor laws and a subsequent industrial peace. There is little doubt but that the 80th Congress will heed their cries and act early and swiftly to clarify by public law the rights of employers as well as the rights of employees . . . and to define more clearly the rights of labor unions in representing their members, and in their responsibilities to the American people.

Price Controls No Longer Necessary

Coupled with these food supply question marks, however, is the

definite knowledge that conditions have improved here in America so that government price controls seem to be no longer necessary on all, except a very few, food and grocery products. We have been assured, therefore, of the final elimination of production bottlenecks created by unsound and inequitable government price regulations. So, while the grocery manufacturer still faces a shortage of containers and other materials, it is at least certain that he will no longer be faced with the problem of producing a product at a cost of 11 cents and being legally required to sell it for a dime.

The only major food products remaining under government price control are sugar and rice. In the light of world sugar supply conditions, it seems desirable to continue price control and rationing of sugar well into 1947 if we are to avoid the chaotic sugar price situation which developed after World War I.

And so the food industry views 1947, heartened to some degree by the progress that has been made, but still unable to do any long or short-range planning. Only one thing is really certain and it is that the food and grocery manufacturers, realizing their responsibility to the public, will do their utmost in 1947 as they have done in every other year to bring to the American people a sufficient supply of foods at fair and reasonable prices.

As the Nation's largest . . . and most vital . . . industry, the food business must and does operate in the public interest at all times. The women of America are our bosses and we realize fully the necessity of watching our p's and q's . . . our prices, our quantity, and our quality.

Prices

Mrs. America is more concerned with food prices today than ever before. In many instances, she thinks that they are too high and wants to see them come down. They *will* come down . . . if industry is allowed to produce unhindered by work stoppages; if the cycle of wage-increase, price-increase, wage-increase, etc. is halted. In brief, if the food industry can be assured of industrial peace in 1947, the people can expect greater quantities of food at lower prices.

If the reconstruction period is allowed to progress in this coming year, we should witness a levelling off of prices and a gradual return to a buyer's market. Not a bust, or depression, as predicted in some circles, but a natural recession from the current levels. We believe that the peak has been reached and that, after the turn of the year, prices will begin to decline.

Such a stabilization of our economy and lowering of food prices is a food industry goal. The food manufacturer wants his products priced so that they are within the reach of the great majority of the people. His business has been built on a mass marketing basis. He discovered long ago that his business is on a much sounder footing, more stable, and more profitable if he sells a million cases at a small profit than a thousand cases at a large profit. He wants his products to be within the financial reach of all and will do his utmost to see that they are.

Quantity

In addition to her concern over prices, the American homemaker is greatly interested in her ability to

find in sufficiently large quantities, the food and grocery products which she sets out to purchase. She hopes to get away from the difficulties which she has encountered on her shopping tours during the past four years. Feeding the family has been a troublesome task at times and she is fed up with shopping lines.

Moreover, she realizes that supply and price considerations go hand in hand . . . that short supply means high prices, that a plentiful supply means lower prices.

Generally speaking, the supply picture is good. There will be an adequate supply of most food and grocery products in 1947. The few exceptions to this are sugar, fats, oils, and soaps which will continue in short supply, but even here there will be an improvement as we move into the new year.

American farmers have harvested the largest quantities of food grains in history. 1946 crop volume was 2 per cent over the previous peak of 1942.

A record-breaking domestic pack of 407 million cases of canned fruits and vegetables is now coming on the market.

Meat production in 1947 is expected to exceed that of 1946. Probable supply is 145 to 150 pounds per capita with slightly larger amounts of beef and veal on the market, an equal supply of pork, and slightly less lamb and mutton. Poultry supplies are expected to be good.

There is even good news about sugar although this important commodity will continue in somewhat short supply, as previously stated. There will be more avail-

able in 1947 than there was in 1946. The Sugar Committee of the Food Industry Council states that 1947 supply outlooks indicate that U. S. householders will have their rations increased from 25 to 35 pounds during the year and that industrial users will get about 27 per cent more sugar than they had in 1946. The public has a selfish interest in the increase of available sugar for industrial use . . . for this goes into the manufacture of goods it buys. Baked goods, canned goods, nearly all processed foods contain sugar.

As you know, Secretary of Agriculture Anderson announced recently that consumer rations will be increased by five pounds in April and it is probable that another five pound increase will be granted later on in the year.

Bumper crops of all grains means a plentiful supply of bread and other baked goods, of hot and cold cereals, flour, macaroni products, cake mixes, corn syrups, corn starches, and many other such products.

The production picture on canned soups is also a bright one. We will have an estimated 33 million cases of soups as compared with about 30 million in 1939.

There's a tremendous increase in the supply of canned fruit and vegetable juices . . . 101 million cases this season as against 40 million in 1938-39.

And the babies of the Nation will have plenty to eat also. Fourteen million cases in the 1946-47 pack which is 12 million cases more than the 1936-40 average.

The supply of cheese will be greater in 1947 than in 1946.

Most of our processed foods will become increasingly available in the new year even though all-out production of some of them will be restricted by the availability of containers, sugar, shortenings, and oils.

All in all, the supply picture looks good.

Quality

Having pointed out that the homemaker is vitally concerned with prices and supplies, we come to the third factor with which she is concerned . . . namely, quality. It is the homemaker's responsibility to see that the family is fed tasty nutritive foods. It is an important responsibility to her, year in and year out. The food manufacturer recognizes that and he works constantly to help her meet these responsibilities more easily. He strives constantly to improve the quality of his products and to increase their nutritional value. And he goes to great lengths to do this. The food manufacturer actively participates in the advancement of the science of nutrition, in the study of disease, and in the overall protection of the public health.

Nutrition Research

The Nutrition Foundation, Inc., was founded by the food manufacturers as an acknowledgment of their responsibilities in the protection and advancement of health through scientific progress in nutrition. I refer to this with considerable pride because of the splendid work which is being done by the Foundation; and it is heartening to us to know that we had something

to do with getting this enterprise underway.

In addition to the individual grants which they have made to numerous universities and institutions and to the extensive research carried on by food manufacturers in their own laboratories, they have, since December, 1941, contributed \$2,322,500 to the Nutrition Foundation for use in the study of the science of nutrition.

Employing these funds, the Foundation has made 133 grants totaling \$1,209,455 to 49 universities and medical centers in the United States and Canada, and as a result of these grants, 221 research papers have been published on various phases of the science of nutrition. Approximately 200 young scientists are gaining professional training and research experience in nutrition each year as a result of funds made available by the Nutrition Foundation.

As Dr. Charles Glen King, Scientific Director of the Foundation, stated in his annual report for 1946, "We are making striking advances in the science of nutrition despite the turmoil of reconversion."

Dr. King reports, for example, discoveries concerning folic acid, a new member of the vitamin B complex, which aids in warding off anemias, intestinal diseases and impairment of the normal function of the bone marrow, as well as important progress in the study of the causes and cures of diabetes.

Awards

Further evidence of the food manufacturers' deep interest in nutrition and public health is the an-

nual scientific award presented by Grocery Manufacturers of America, Inc. This award of distinction is made each year to an individual or organization nominated by a distinguished committee for an important contribution to public health, in the field embraced by nutrition.

The first of these awards was made in 1935 and our organization was proud to honor in 1946, Dr. Frank G. Boudreau, Executive Director of The Milbank Memorial Fund, in recognition of his work as chairman of the Food and Nutrition Board of the National Research Council. Other recipients include Dr. Henry C. Sherman of Columbia University; Dr. Elmer McCollum, of Johns Hopkins University; Sir John Boyd Orr of Rowett Research Institute in Aberdeen, Scotland; Dr. Robert R. Williams, of Bell Telephone Laboratories; Dr. Charles Glen King, Nutrition Foundation.

Food manufacturers ask no applause for this work which might well be considered "above and beyond the call of duty" but the next time someone tells you that business doesn't give a hang for the poor consumer, I wish that you would remind him what I have just reported to you.

Conclusion

In concluding this report, I should like to make two points.

The first is that the Grocery Manufacturers of America, whom I am privileged to represent here today, can guarantee to the members of this committee . . . and to the public as a whole . . . that there

will be continued improvement in the quality of the food products which they manufacture. These firms will continue to give financial and other aid in furthering the health of the Nation and in the study of the science of nutrition. As members of an industry serving the public welfare, they recognize their responsibility to do so.

My second point is that, while we can guarantee quality without reservation, we cannot be as definite with regard to prices or supply, for reasons which I have just outlined. However, based on present indications, we feel that supplies will be more plentiful next year and that prices will take a downward trend.

We in the food manufacturing business have been successful in

uniting the various segments of this industry so that the Life Line of America . . . the line of essential processes between food in the field and food on the table . . . is stronger than ever before.

Operating on the principle of mass merchandising and accepting our responsibility to supply the American people with the foods they need, we will do our best to produce a sufficient supply of food and grocery products at reasonable prices. .

In attempting to fulfill our pledge, we need and earnestly seek the support of other segments of our national economy . . . of government officials, of our legislators, of labor, and of all industry.

Milk Prospects for 1947

By H. H. Rathbun

President, Dairymen's League Cooperative Association Inc.

MILK is almost synonymous with nutrition. Not only is milk our most nutritious food, it also is our cheapest major food. It is a mainstay in the diet of our 140 million people.

Even with food prices generally higher, along with all other commodities, milk is still a bargain. The truth is that milk is relatively cheaper today than it was in 1930.

Labor has been considerably worried about the rising cost of living, and with justification. But as far as milk is concerned, the consumer's dollar goes a long way. In 1939, the average hourly wage rate of labor was about 65 cents. Milk in New York City was then selling for about 15 cents a quart, home delivered. That meant that a laborer could buy 4 1/3 quarts of milk for each hour's work.

Today, with milk selling for 22 cents, the average hourly wage of labor is \$1.10. For an hour's work now, a working man can buy 5 quarts of milk—or 2/3 of a quart more than he could seven years ago.

What the late Dr. Charles Mayo said years ago is still true: "Considering its cost per pound, milk contains more food value for the money than any other food material available."

Fortunately, we have not suffered any widespread or prolonged shortage of milk, as we have with other foods such as meat and sugar. There were plenty of reasons for a milk shortage of serious proportions but farmers came through,

despite other difficulties, to produce milk.

1946 Production

This past year dairy farmers came close to matching the 1945 production. This was accomplished despite feed shortages, uncertainty of price controls, and the high prices being paid for beef on the hoof. Production in 1946 was the result of tenacity, determination, and a patriotism that is singular with our farm people.

Farmers have always responded to the food needs of our Nation, in peace and in wartime. This past year they have established new records in milk production per cow. Although the number of dairy animals had dropped nearly 4 per cent, production was nearly as great as that in 1945.

Milk production per cow has steadily increased since 1934. For 1946, the average cow produced, 4,850 lbs. of milk—450 pounds more than in the period 1935-39. At the beginning of 1947, one cow will be supplying an average of 5 1/2 persons, compared with 4 1/2 persons in 1900 and 4 persons in 1880. These are the result of improved breeding and methods of production. There is, of course, a limit that will be reached. With fewer animals, it is obvious that we must maintain or increase even more our production per cow if we are to have as much milk in 1947 as we had this past year—a little over 119 billion pounds.

1947 Goal

The estimated requirements for milk in 1947 calls for 124½ billion pounds, which is made up of 118½ billion pounds for civilian demands at home, and the remainder for export. This figure, of course, does not take into consideration an optimum diet for every one of our population; but is an estimate of needs in terms of anticipated demand.

This amount of milk would provide us with an annual domestic per capita consumption of approximately 409 pounds of fluid milk; 13 pounds of butter; 6½ pounds of cheese. This is more milk and cheese but less butter than we ate in the 1935-39 average.

On a national basis, indications are that we cannot possibly meet these requirements fully; that production at best will be only about what it was last year—119 billion pounds. This does not mean shortages necessarily, but it does mean that we will have less milk and dairy products than we could and should use.

The major reason is that we have fewer dairy cows, fewer dairy farmers. The hardships faced by milk producers during the past few years took their toll.

In 1944, we had an all-time high of nearly 26,000,000 head of cattle. By 1946, this number had dropped to less than 24,500,000. And it is not improbable that it will drop somewhat more in 1947. If we are fortunate, and dairying made more encouraging, it is possible that we can stem this serious trend during 1947 and begin rebuilding our herds to a satisfactory point.

We are in a good position to build back. Many of the crippling factors of the past few years are now removed. The dairy industry has been freed of confusing, unworkable price controls and subsidies. We have had a bumper grain crop with which to feed our cows; farmers have finally obtained a price level that more nearly enables them to meet the higher costs of producing milk.

There are indications that the dairy industry is convalescing nicely from the ailments of wartime conditions. But milk production cannot be changed overnight. It takes time to build herds, to get farmers interested in returning to a business of producing milk. It is not easy to get hired help at wages that farmers can pay when industry is offering tempting wage, bonus, and vacation plums, and short hours.

All of this is a problem that confronts consumers as well as agriculture. Adequate food production is a national problem; not just the problem of farmers.

Here is the Northeast, we have our own particular problems. Milk is the backbone of agriculture here. Milk alone brings as much money to New York farmers as all of the rest of their products put together. Dairy farmers in the New York milkshed have the largest market in the world for their milk; and in turn, the 20 million consumers in this region are provided with the best milk supply possible.

In New York State, conditions have resulted in the same trend in cow numbers that was felt over the Nation. Despite high produc-

tion per cow, milk production in 1946 in the New York milkshed was about 5 per cent smaller than it was in 1945.

During the fall months of 1946, we were able to approach 1945 production as a result of a good hay crop, more adequate supplies of feed, and mild weather. Farmers were asked to produce more fall milk to prevent recurrence of the seasonal shortages of last year. This meant changed management, more expenses, but they responded to consumer needs. This is evidenced in production figures these past weeks.

They could do even better if they could get labor. The labor problem is even more serious on farms in this region than in most others, because of the proximity of heavy industrial activity. When a farmer has 60 cows and he has only enough help to manage 30, he naturally culls out the 30 lowest producers. With meat prices what they have been, he got a good price for those he had to sell. But if he could have managed enough help, he wouldn't have sold.

The result was a temporary and small addition to the meat supply, but a long-time reduction in the milk supply.

Another consideration in the 1947 outlook for milk in this area is the requirements of other markets which adjoin us, namely New England, Connecticut, New Jersey, Philadelphia, Baltimore.

All of these markets have been raiding the supplies in New York, or trying to. Desperate for milk, they have offered price premiums in order to get supplies. We have been able to prevent serious inroads on

New York supplies by maintaining prices at an equitable level. It is likely that these other markets will continue to reach out for more milk, and they will be reaching in our direction.

Every day farmers see their production costs go higher; every labor strike makes farm machinery higher, increases transportation costs, feed prices. Every time labor gets a wage increase in industry, it means farmers will have a harder time in getting adequate help unless he pays more too.

Let us not fool ourselves. With cow numbers reduced the only way we can maintain a reasonably adequate milk supply is to encourage and make it possible for farmers to exert themselves to the utmost, and the only way to do this is to keep prices at fair levels.

There are indications that conditions will change. Dairy farmers know that a price squeeze may come and there is always the possibility that consumer demand may taper off. Farmers know however that milk is needed, and they plan for high production in 1947.

In summary, the 1947 outlook is that we can have a supply of milk comparable to 1946. It will not be all that we could use, or all that we need, but the shortage will be relative and not actual.

If every person in this Nation had all of the milk and dairy products he needs for a nutritionally satisfactory diet, we would need between 140 and 150 billion pounds of milk a year.

Per capita consumption of milk and dairy products has been increasing gradually. In terms of

fluid milk basis, the average person in the United States in 1924 consumed 796 pounds. By 1942, this had increased to 839 pounds. Our domestic consumption was reduced during the war by military and lend-lease requirements, but it is coming back.

We are still far short of our goal in national nutrition. We face a tremendous challenge. With all of the educational work that has been accomplished, we have just begun.

What Price Prevention?

Our path is clearly marked. It is marked by the hundreds of thousands of young men who were turned down by draft boards because of physical and mental defects. It is marked by the fact that we have today half a million people in insane asylums, and a great many who perhaps should be in them, but aren't. We have hospitals that care for 20 million patients a year, and our facilities are declared grossly inadequate to handle the needs.

From these glaring signs, it is obvious that we are a sick Nation, despite our medical progress and scientific advancement.

Not all of our mental and physical ailments can be traced to nutritional deficiencies, but over half of them can. It costs us well over \$150,000,000 a year just to maintain our mental institutions alone. This is a per capita patient investment of \$350 a year. That \$350 would buy a child a needed quart of milk a day for about five years.

Prevention is far cheaper than any cure.

School Lunches

Take the school lunch program for example. The Federal Government has appropriated \$75,000,000 for the supplemental feeding of school children, in lunches. This program not only helps insure that our children, our citizens of tomorrow, will be adequately nourished, but it provides a market for our agricultural production. In doing so, it benefits our entire Nation.

For a cost to the State of as little as a cent a day per child, New York could provide its youngsters with a bottle of nourishing milk; for only a nickel a day a child, it can provide a full, nutritional lunch. This is possible by using State funds in conjunction with Federal funds and with supplies and services provided by local schools or organizations.

A nickel a day a child—that is only about \$18 a year. Compare that with the \$350 it costs to maintain one patient in an asylum for the insane. But the real difference comes when we contrast in terms of accomplishment—when we consider the contributions to society that a strong, healthy, mentally alert boy or girl is able to make in a useful lifetime.

Providing adequate school lunches by every possible New York State community is a means of assuring the proper feeding of our children, and developing correct lifetime eating habits. It also provides this great farming state with a stable market for its agricultural production.

Yet only 15 per cent of our State

school children benefit under this program.

At small cost to the State, we can put this school lunch program into many more schools and communities. These communities which need financial aid should be provided **with it**.

It is programs such as this that will improve our general health as a Nation.

For Longer Life

A person born today can expect to live 18 years longer than a person born just 35 years ago, a survey by the Metropolitan Insurance Company shows. Between 1911 and 1945, the expectation of life among American wage earners rose from 46 $\frac{2}{3}$ to 65 years. Much credit for this remarkable improvement can be attributed to better nutrition and to the gains in preventive medicine.

It is significant, I think, that the nations which have the longest life expectancies are the same as those which have the highest consumption of milk and dairy products. These nations include the United States, Canada, Norway, Denmark, Sweden, Australia. And conversely, those nations which are low in consumption of dairy products, have the lowest life expectancies.

This has another correlation. Those countries which consume high quantities of dairy products are generally those with the highest standard of living.

We have learned that milk, eggs and meat are the best way to utilize our grain and grass. Our stomachs only hold about 40 fluid

ounces. Filled with cereal alone, we could not hold enough to be adequately nourished. China and India show us that. But by utilizing these cereals for the production of high nutrition foods, we get the fullest use from them.

Farmers are eager to raise their production to levels that will adequately supply our Nation with all of these high quality, nutritional foods. But they cannot do it without support and cooperation.

Problems That Lie Ahead

Six million farms are supporting 140 million people, and providing food for additional millions in other countries. The problems facing the 6 million are also the problems of the 140 million.

The decline in the number of **farmers and milk cows is of national importance**—it is not just an agricultural problem.

Looking at the average age of dairy farmers today, one is inclined to ask: Who will do the milking 10 years from today? The average dairy farmer in New York State is not far from 60 years old. This means that our young people have not been encouraged, financially or otherwise, to remain on the farm and join in our army of food producers. This foretells smaller food production in the future for a population that is growing at a rate of about 20,000 persons a day.

It is a situation that should be of concern to consumers most of all—for it is they who will suffer if our food production diminishes.

Our people enjoy the best milk supply, the most economical distribution, the most careful sanita-

tion, pasteurization and other safeguards which have made our milk supply the standard for the world to try to attain.

In December, 1946, the Dairy-men's League Co-operative Association formally dedicated in the heart of New York City one of the Nation's largest and most modern milk plants.

This new and most modern facility was erected by the 26,000 dairy farmer members in order that they may better serve New York City consumers. It is an example of the responsibilities felt by farmers for the efficient marketing of their product to the public.

Farmers feel deeply their part

in providing adequate supplies of food for the consuming public in order that our health and nutritional requirements can be met.

Not only are they producing food to the best of their ability, but they are becoming more aware of their responsibility in greater efficiencies in processing and marketing their products.

Furthermore, they are taking greater interest in the education of the public, toward proper diets and improved health.

Better nutrition is a problem which demands the co-ordinated effort of every part of our population. I know that farmers will continue to do their full share.

Additional copies of this pamphlet are available free of charge by writing to State Senator Thomas C. Desmond, Chairman, New York State Joint Legislative Committee on Nutrition, 94 Broadway, Newburgh, New York